

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

AN ADJUSTMENT OF)
RATES OF COLUMBIA) CASE NO. 8281
GAS OF KENTUCKY, INC.)

O R D E R

IT IS ORDERED that Columbia Gas of Kentucky, Inc. shall file an original and five copies of the following information with the Commission, with a copy to all parties of record, by August 25, 1981. Each copy of the data requested should be placed in a bound volume with each item tabbed. Where a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Careful attention should be given to copied material to insure that it is legible. For an applicant operating exclusively in Kentucky, the terms total company and Kentucky have identical meanings. Therefore, such an applicant should only provide one set of figures where both terms are used.

Staff Request No. 1

1. a. In comparative form, a total company income statement, a statement of changes in financial position and a balance sheet for the test year and the twelve-month period immediately preceding the test year.

- b. A detailed statement (show net income) for the applicant's Kentucky gas operation for the test year.
- 2.
 - a. A calculation of total company average (thirteen month) and end-of-period debt, preference and preferred stock, and common equity capital for the test year in the format as shown in Format 2a to this request.
 - b. A calculation of the average (thirteen month) and end-of-period long-term debt composite interest and preferred stock costs for the twelve months of the test year. Supporting details underlying calculations should be provided. (The average long-term debt composite interest cost is calculated by dividing the sum of book interest accrued on long-term debt and related amortization of discount, premium, and issuance cost by average long-term debt as calculated in Format 2a, column c, line 15).
- 3. List each general office account (asset, reserve, and expense accounts) covering the twelve months of the test year. If any amounts were allocated, provide a calculation of the factor used to allocate each amount.
- 4. The following monthly account balances and a calculation of the average (thirteen month) account balances for the test year for total

company and Kentucky:

- a. Plant in service (Account 101)
- b. Plant purchased or sold (Account 102)
- c. Property held for future use (Account 105)
- d. Construction work in progress (Account 107)
- e. Completed construction not classified (Account 106)
- f. Depreciation reserve (Account 108)
- g. Plant acquisition adjustment (Account 114)
- h. Amortization of utility plant acquisition adjustment (Account 115)
- i. Materials and supplies (include all accounts and subaccounts)
- j. Balance in accounts payable applicable to each account in i above. (If actual is indeterminable, give reasonable estimate)
- k. Unamortized investment credit - Pre-Revenue Act of 1971.
- l. Unamortized investment credit - Revenue Act of 1971
- m. Accumulated deferred income taxes
- n. Computation and development of minimum cash requirements
- o. Balance in accounts payable applicable to amounts included in utility plant in service (If actual is indeterminable, give reasonable estimate)
- p. Balance in accounts payable applicable to amounts included in plant under construction (If actual is indeterminable, give reasonable estimate)
- q. Short-term borrowing
- r. Interest on short-term borrowings (expense)

5. Provide the following information for each item of gas property held for future use at the end of the test year:
 - a. Description of property
 - b. Location
 - c. Date purchased
 - d. Cost
 - e. Estimated date to be placed in service
 - f. Brief description of intended use
6. Schedules in comparative form showing by months for the test year and the year preceding the test year the total company balance in each gas plant and reserve account or subaccount included in the applicant's chart of accounts as shown in Format 6.
7. Provide the journal entries relating to the purchase of utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since the end of the test period in the last rate case. Also, a schedule showing the calculation of the acquisition adjustment at the date of purchase of each item of gas plant, the amortization period, and the unamortized balance at the end of the test year.
8. The detailed workpapers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment and reserve accounts for the test year and a complete detailed narrative explanation of

each adjustment including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

9. A schedule showing a comparison by month the total company and Kentucky revenue accounts for each month of the test year to the same month of the preceding year for each revenue account or subaccount included in the applicant's chart of accounts. Include appropriate footnotes to show the month each rate increase was granted and the month the full increase was recorded in the accounts. See Format 6.
10.
 - a. A schedule showing a comparison of the balance in the total company and Kentucky operating expense accounts for each month of the test year to the same month of the preceding year for each account or subaccount included in the applicant's chart of accounts. See Format 6.
 - b. A schedule in comparative form showing the total company and Kentucky operating expense account balance for the test year and each of the five years preceding the test year for each account or subaccounts included in the applicant's annual report. (FERC Form No. 2, Pages 320 - 325). Show the percentage of increase of each year over the prior year.

c. A schedule of total company salaries and wages for the test year and each of the five calendar years preceding the test year in the format as shown in Format 10c to this request.

11. The following tax data for the test year for total company and Kentucky:

a. Income taxes:

- (1) Federal operating income taxes deferred - accelerated tax depreciation
- (2) Federal operating income taxes deferred - other (explain)
- (3) Federal income taxes - operating
- (4) Income credits resulting from prior deferrals of Federal income taxes
- (5) Investment tax credit net
 - (i) Investment credit realized
 - (ii) Investment credit amortized - Pre-Revenue Act of 1971
 - (iii) Investment credit amortized - Revenue Act of 1971
- (6) Provide the information in (1) through (4) for state income taxes
- (7) Reconciliation of book to taxable income as shown in Format 11a (7) and a calculation of the book federal and state income tax expense for the test year using book taxable income as the starting point

(8) A copy of federal and state income tax returns for the taxable year ended during the test year including supporting schedules (three copies required)

b. An analysis of Kentucky other operating taxes in the format as shown in Format 11b to this request.

12. A schedule of total company net income per MCF sold per company books for the test year and the five years preceding the test year. This data should be provided in the format as shown in Format 12 to this request.
13. The comparative operating statistics in Format 13 to this request.
14. A schedule of total company average gas plant in service per MCF sold by account per company books for the test year and the five calendar years preceding the test year. This data should be provided in the format as shown in Format 14 to this request.
15. A statement of gas plant in service per company books for the test year. This data should be presented in the format as shown in Format 15 to this request.
16. a. A detailed analysis of all charges booked during the test period for advertising expenditures. This analysis should include a complete breakdown of Account 913 - Advertising Expenses, as shown in Format 16a attached and further should show any other advertising expenditures included in any other expense accounts. The analysis should be

specific as to the purpose of the expenditure and the expected benefit to be derived.

- b. An analysis of Account 930 - Miscellaneous General Expenses, for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 16b and further provide all detailed working papers supporting this analysis. As a minimum, the work papers should show the date, vendor, reference (i.e. voucher no., etc.), dollar amount and brief description of each expenditure. Detailed analysis is not required for amounts of less than \$500 provided the items are grouped by classes as shown in Format 16b attached.
 - c. An analysis of Account 426 - Other Income Deductions for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 16c, and further provide all detailed working papers supporting this analysis. As a minimum the work papers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount and brief description of each expenditure. Detailed analysis is not required for amounts of less than \$500 provided the items are grouped by classes as shown in Format 16c attached.
17. A detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Account 426. This

analysis should indicate the amount of the expenditure, the recipient of the contribution and the specific account charged.

18. A statement describing the applicant's lobbying activities and a schedule showing the name of the individual, his salary, and all company-paid or reimbursed expenses or allowances and the account charged for all personnel for whom a principal function is that of lobbying, whether it be lobbying on the local, state, or national level.
19. A schedule showing for the test year and the year preceding the test year with each year shown separately the following information regarding the applicant's investments in subsidiaries and joint ventures:
 - a. Name of subsidiary or joint venture
 - b. Date of initial investment
 - c. Amount and type of investment made for each of the two years included in this schedule.
 - d. Balance sheet and income statement for the test year and the year preceding the test year. Where only internal statements are prepared, furnish copies of these.
 - e. Show on separate schedule all dividends or income of any type received by applicant from its subsidiaries or joint ventures for each of the two years and indicate how this income is reflected

in the reports filed with the Commission and the stockholder reports.

f. Name of officers of each of the subsidiaries or joint ventures, officers' annual compensation, and portion of compensation charged to the subsidiary or joint venture. Also, indicate the position each officer holds with the applicant and the compensation received from the applicant.

20. Provide a detailed analysis of the retained earnings' account for the test period and 12-month period immediately preceding the test period.
21. Provide the following with regard to uncollectible accounts for the test year and five preceding calendar years (taxable year acceptable) for total company:
- a. Reserve account balance at the beginning of the year
 - b. Charges to reserve account (accounts charged off)
 - c. Credits to reserve account
 - d. Current year provision
 - e. Reserve account balance at the end of the year
 - f. Percent of provision to total revenue
22. A listing of nonutility property and property taxes and account where amounts are recorded.
23. Rates of return in Format 23 to this request.
24. Employee data in Format 24 to this request.
25. A calculation of the rate or rates used to capitalize interest during construction for the test year and the three preceding calendar years. Provide a narrative

explanation of each component entering into the calculation of this rate.

26. The information as soon as it is known, which would have a material effect on net operating income, rate base, and cost of capital which occurred after the test year and was not incorporated in the filed testimony and exhibits.
27. A detailed monthly income statement for each month after the test period including the month in which the hearing ends, as they become available.
28.
 - a. Capital structure at the end of each calendar year for the previous ten years
 - b. Capital structure at end of the test period
 - (1) Class of capital
 - (2) Amount of each class (\$)
 - (3) Ratio of each class to total (%)
 - (4) Total capitalization (\$)
 - c. Capital structure at end of latest available quarter
 - d. Item 28.a, 28.b, and 28.c should include the following information:
 - (1) Class of capital
 - (2) Amount of each class (\$)
 - (3) Ratio of each class to total (%)
 - (4) Total capitalization (\$)
29.
 - a. List all outstanding issues of long-term debt as end of the latest calendar year and at the end of the test period. This list should include the following

information for each outstanding issue of long-term debt:

- (1) Date of maturity
- (2) Date of issue
- (3) Amount outstanding (\$)
- (4) Coupon interest rate (%)
- (5) Cost rate at issue (%)
- (6) Cost rate to maturity (%)
- (7) Bond rating at time of issue (Moody's, Standard & Poor's, etc.)
- (8) Type of obligation

b. Provide calculations of embedded cost of long-term debt at the end of each calendar year for the previous ten years. Also provide this calculation for the end of the test period.

30. a. List all outstanding issues of preferred stock as of end of the latest calendar year and at the end of the test period. This list should include the following information for each outstanding issue of preferred stock:

- (1) Date of issue
- (2) Amount sold (\$)
- (3) Amount outstanding (\$)
- (4) Dividend rate
- (5) Convertibility features if any
- (6) Cost rate at issue (%)

b. Provide calculations of embedded cost calculations of preferred stock at the end of each of the previous ten

years. Also, provide this calculation for the end of the test period.

31. a. Provide a listing of all issues of common stock in the primary market during the most recent ten-year period. On this list, provide the following information:

- (1) Date of issue
- (2) Number of shares issued
- (3) Date of announcement and registration
- (4) Price per share (net to company) (\$)
- (5) Book value per share at time of issue (\$)
- (6) Selling expenses as % of gross issue amount
- (7) Net proceeds to company
- (8) Price per above to the public

- c. Provide the following information on a quarterly and yearly basis for the most recent ten-year period available, through the latest available quarter. (Item 5 and (6) refer to yearly figures only.)

- (1) Average number of shares of common outstanding
- (2) Book value at end of quarter (year)
- (3) Quarterly (yearly) earnings per share
- (4) Declared quarterly (yearly) dividend rate per share
- (5) Rate of return on average common equity
- (6) Rate of return on year-end common equity

- d. Provide monthly market price figures for common stock for each month during the most recent ten-year period. Include the following:

- (1) Monthly high price

- (2) Monthly low price
 - (3) Monthly closing price
 - (4) Note all stock splits by date and type
32. a. Provide figures showing computation of fixed charge coverage ratio (SEC Method, PRETAX, including Short Term Debt payments) at the end of each of the ten most prior years.
33. A listing of present or proposed research efforts dealing with the pricing of gas and the current status of each effort .

Done at Frankfort, Kentucky, this 28th day of July, 1981.

PUBLIC SERVICE COMMISSION

Marlin N. Voth
Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Format 2a

Case No. 8281

CALCULATION OF AVERAGE AND END-OF-PERIOD CAPITAL

12 Months Ended December 31, 1980

Line No.	Item (a)	Total Capital (b)	Long-Term Debt (c)	Preferred Stock (d)	Common Stock (e)	Capital (f)	Retained Earnings (g)	Total Company Equity (h)
1.	Balance beginning of test year							
2.	1st Month							
3.	2nd Month							
4.	3rd Month							
5.	4th Month							
6.	5th Month							
7.	6th Month							
8.	7th Month							
9.	8th Month							
10.	9th Month							
11.	10th Month							
12.	11th Month							
13.	12th Month							
14.	Total (L1 through L13)							
15.	Average balance (L14 ÷ 13)							
16.	Average capitalization ratios							
17.	End-of-period capitalization ratios							

If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure. Show the amount of common equity excluded.

Case No. 8281

COMPARISON OF TEST YEAR ACCOUNT BALANCES WITH THOSE OF THE PRECEDING YEAR

[illegible]

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

ANALYSIS OF SALARIES AND WAGES
For the Calendar Years 1976 through 1980
And the 12-Month Period Ending December 31, 1980

(000's)

Line No.	Item (a)	12 Months Ended											Test Year
		Calendar Years Prior to Test Year											
		5th	4th	3rd	2nd	1st							
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)

1. Wages charged to expense:
2. Production expenses
3. Natural gas storage, terminaling and processing expenses
4. Transmission expenses
5. Distribution expenses
6. Customer accounts expenses
7. Customer service and informational expenses
8. Sales expenses
9. Administrative and general expenses:
 - (a) Administrative and general salaries
 - (b) Office supplies and expense
 - (c) Administrative expense transferred-cr.
 - (d) Outside services employed
 - (e) Property insurance
 - (f) Injuries and damages

Line
No. Item
(a)

9. Administrative and General expenses (continued):

- (g) Employee pensions and benefits
- (h) Franchise requirements
- (i) Regulatory commission expenses
- (j) Duplicate charges-cr.
- (k) Miscellaneous general expense
- (l) Rents
- (m) Maintenance of general plant

Total administrative and general expenses L9(a) through L9(m)

Total salaries and wages charged expense (L2 through L8 + L10)

Wages capitalized

Total salaries and wages

Ratio of salaries and wages charged expense to total wages (L11 ÷ L13)

Total salaries and wages

Ratio of salaries and wages charged expense to total wages (L11 ÷ L13)

Ratio of salaries and wages capitalized to total wages

TE: Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

12 Months Ended						
Calendar Years Prior to Test Year						
5th	4th	3rd	2nd	1st	Test Year	
Amount	Amount	Amount	Amount	Amount	Amount	Amount
(b)	(c)	(d)	(e)	(f)	(g)	(h)
z	z	z	z	z	z	z
(i)	(j)	(k)	(l)	(m)	(n)	(o)

Case No. 8281

RECONCILIATION OF BOOK NET INCOME AND FEDERAL TAXABLE INCOME

12-Months Ended December 31, 1981

Line No.	Item (a)	Operating			
		Total Company (b)	Total Company Non-operating (c)	Kentucky Retail (d)	Other Jurisdictions (e)

1. Net Income per books
2. Add Income taxes:
 3. A. Federal Income tax - Current
 4. B. Federal Income tax deferred - Depreciation
 5. C. Federal Income tax deferred - Other
 6. D. Investment tax credit adjustment
 7. E. Federal Income taxes charged to other income and deductions
 8. F. State Income taxes
 9. G. State Income taxes charged to other income and deductions
 10. Total
 11. Flow through items:
 12. Add (itemize)
 13. Deduct (itemize)
 14. Book taxable income
 15. Difference between book taxable income and taxable income per tax return:
 16. Add (itemize)
 17. Deduct (itemize)
 18. Taxable income per return

NOTE: (1) Provide a calculation of the amounts shown on lines 3 through 7 above.

- (2) Provide work papers showing the calculation of straight-line tax depreciation and accelerated tax depreciation and all other work papers in support of the calculation of Federal income tax expense.
- (3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

Case No. 8281

RECONCILIATION OF BOOK NET INCOME AND STATE TAXABLE INCOME

12 Months Ended December 31, 1980

Line No.	Item	Total		Kentucky Ratio	Other Jurisdiction
		Company	Non-Operating		
	(a)	(b)	(c)	(d)	(e)
1.	Net income per books				
2.	Add income taxes:				
3.	A. Federal income tax-Current				
4.	B. Federal income tax deferred- Depreciation				
5.	C. Federal income tax deferred- Other				
6.	D. Investment tax credit adjustment				
7.	E. Federal income taxes charged to other income and deductions				
8.	F. State income taxes				
9.	G. State income taxes charged to other income and deductions				
10.	Total				
11.	Flow through items:				
12.	Add (itemize)				
13.	Deduct (itemize)				
14.	Book taxable income				
15.	Differences between book taxable income and taxable income per tax return:				
16.	Add (itemize)				
17.	Deduct (itemize)				
18.	Taxable income per return				

NOTE: (1) Provide a calculation of the amount shown on Lines 8 through 9 above.

(2) Provide work papers showing the calculation of straight-line tax depreciation and accelerated tax depreciation and all other work papers in support of the calculation of Federal income tax expense.

(3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

Columbia Gas of Kentucky, Inc.

Case No. 8281

ANALYSIS OF OTHER OPERATING TAXES

12 Months Ended December 31, 1980

(000's)

Line No.	Item (a)	Charged Expense (b)	Charged to Construction (c)	Charged to 1/ Other Accounts (d)	Amount Accrued (e)	Amount Paid (f)
1.	Kentucky Retail:					
	(a) State Income					
	(b) Franchise Fees					
	(c) Ad Valorem					
	(d) Payroll (Employers Portion)					
	(e) Other Taxes					
2.	Total Kentucky Retail (L1(a) through L1(e))					
3.	Other Jurisdictions					
	Total Per Books (L2 and L3)					

1/
Explain items in this column.

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

NET INCOME PER MCF SOLD
(TOTAL COMPANY)

		12 Months Ended					Test Year (g)
		Calendar Years					
		Prior to Test Year					
Line No.	Item (a)	5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
1.	<u>Operating Income</u>						
2.	Operating Revenues						
3.	<u>Operating Expense</u>						
4.	Operating Expenses						
5.	Maintenance Expenses						
6.	Depreciation Expense						
7.	Amortization and Depletion of Utility Plant						
8.	Amortization of Utility Plant						
	Acquisition Adjustment						
9.	Amortization of Property Losses						
10.	Amortization of Conversion Expenses						
11.	Taxes Other Than Income Taxes						
12.	Income Taxes - Federal						
13.	Income Taxes - State						
14.	Income Taxes - Other						
15.	Provision for Deferred Income Taxes						
16.	Investment Tax Credit						
17.	Amortization of Investment Tax Credit						
18.	Total Operating Expenses						
19.	Net Operating Income						
20.	<u>Other Income - Net</u>						
21.	Mdse. Job and Contract Works						
22.	LP Gas Operating						
23.	Nonoperating Rental Income						
24.	Interest and Dividend Income						
25.	Allowance for Funds Used During Construction						
26.	Miscellaneous Nonoperating Income						
	Total Other Income						
27.	Total Income						
28.	Miscellaneous Income Deductions						
29.	Income Before Interest Charges						
30.	<u>Interest Charges</u>						
31.	Interest on Long-Term Debt						
32.	Amortization of Debt Discount and Expense						
33.	Amortization of Premium on Debt-Credit						
34.	Other Interest Expense						
35.	Total Interest Charges						
36.	Net Income						
37.	Net Sold						

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

For the Calendar Years 1976 through 1980
and the 12-Month Period Ended December 31, 1980
(Total Company)

Line No.	Item (a)	12 Months Ended						
		Calendar Years Prior to Test Year						Test Year
		5th	4th	3rd	2nd	1st		
		%	%	%	%	%	%	%
		Cost Inc.	Cost Inc.	Cost Inc.	Cost Inc.	Cost Inc.	Cost Inc.	Cost Inc.
		(b) (c)	(d) (e)	(f) (g)	(h) (i)	(j) (k)	(l) (m)	(n)

1. Cost Per MCF of Purchased Gas
2. Cost of Propane Gas Per MCF Equivalent
for Peak Shaving
3. Cost Per MCF of Gas Sold
4. Maintenance Cost Per Transmission Mile
5. Maintenance Cost Per Distribution Mile
6. Sales Promotion Expense Per Customer
7. Administration and General Expense
Per Customer
8. Wages and Salaries - Charged Expense:
Per Average Employee
9. Depreciation Expense:
Per \$100 of Average Gross Depreciable
Plant In Service
10. Rents:
Per \$100 of Average Gross Plant In
Service
11. Property Taxes:
Per \$100 of Average Net Plant In
Service
12. Payroll Taxes:
Per Average Employee Whose Salary Is
Charged to Expense
13. Interest Expense:
Per \$100 of Average Debt Outstanding
14. Per \$100 of Average Plant Investment
Per MCF Sold

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

AVERAGE GAS PLANT IN SERVICE BY ACCOUNT PER MCF

For the Calendar Years 1976 Through 1980 and the 12 Month Ended December 31, 1980

(Total Company)

Account Number	Title of Accounts (a)	12 Months Ended						
		Calendar Years Prior to Test Year						Test Year (g)
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)		
301	Intangible Plant							
	Organization							
302	Franchises and Consents							
303	Miscellaneous Intangible Plant							
	Total Intangible Plant							
	Production Plant							
	<u>Natural Gas Production and Gathering Plant</u>							
125.1	Producing Lands							
125.2	Producing Leaseholds							
125.3	Gas Rights							
25.4	Rights-of-Way							
25.5	Other Land and Land Rights							
26	Gas Well Structures							
27	Field Compressor Station Structures							
28	Field Meas. and Reg. Sta. Structures							
29	Other Structures							
30	Producing Gas Wells-Well Construction							
31	Producing Gas Wells-Well Equipment							
32	Field Lines							
33	Field Compressor Station Equipment							
14	Field Meas. and Reg. Sta. Equipment							
15	Drilling and Cleaning Equipment							
6	Purification Equipment							
	Other Equipment							
	Unsuccessful Exploration and Devel. Costs							
	Total Production and Gathering Plant							

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

AVERAGE GAS PLANT IN SERVICE BY ACCOUNT PER MCF

For the Calendar Years 1976 Through 1980 and the 12 Month Ended December 31, 1980

(Total Company)

Account Number	Title of Accounts (a)	12 Months Ended					
		Calendar Years Prior to Test Year					Test Year
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	(g)
	<u>Products Extraction Plant</u>						
340	Land and Land Rights						
341	Structures and Improvements						
342	Extraction and Refining Equipment						
343	Pipe Lines						
344	Extracted Products Storage Equipment						
345	Compressor Equipment						
346	Gas Meas. and Reg. Equipment						
347	Other Equipment						
	Total Products Extraction Plant						
	Total Nat. Gas Production Plant						
	Mfd. Gas Prod. Plant (Submit Suppl. Statement)						
	Total Production Plant						
	<u>Natural Gas Storage and Processing Plant</u>						
	<u>Underground Storage Plant</u>						
350.1	Land						
350.2	Rights-of-Way						
351	Structures and Improvements						
352	Wells						
352.1	Storage Leasable and Rights						
352.2	Reservoirs						
352.3	Non-Recoverable Natural Gas						
353	Lines						
356	Compressor Station Equipment						
357	Measuring and Reg. Equipment						
	Purification Equipment						
	Other Equipment						
	Total Underground Storage Plant						

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

AVERAGE GAS PLANT IN SERVICE BY ACCOUNT PER MCF

For the Calendar Years 1976 Through 1980 and the 12 Month Ended December 31, 1980

(Total Company)

Account Number	Title of Accounts (a)	Calendar Years Prior to Test Year							Test Year
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	Year (g)		

360	Other Storage Plant								
361	Land and Land Rights								
362	Structures and Improvements								
363	Gas Holders								
363.1	Purification Equipment								
363.2	Liquefaction Equipment								
363.3	Vaporizing Equipment								
363.4	Compressor Equipment								
363.5	Meas. and Reg. Equipment								
	Other Equipment								
	Total Other Storage Plant								
	Base Load Liquefied Natural Gas, Terminating								
	And Processing Plant								
364.1	Land and Land Rights								
364.2	Structures and Improvements								
364.3	LNG Processing Terminal Equipment								
364.4	LNG Transportation Equipment								
364.5	Measuring and Regulating Equipment								
364.6	Compressor Station Equipment								
364.7	Communications Equipment								
364.8	Other Equipment								
	Total Base Load Liquefied Natural								
	Gas, Terminals, and Processing Plant								
	Total Nat. Gas Storage and Proc. Plant								
	Transmission Plant								
365.1	Land and Land Rights								
365.2	Rights-of-Way								
366	Structures and Improvements								
367	Mains								

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

Format 14
Sheet 4 of 5

AVERAGE GAS PLANT IN SERVICE BY ACCOUNT PER MCF

For the Calendar Years 1976 Through 1980 and the 12 Month Ended December 31, 1980

(Total Company)

Account Number	Title of Accounts (a)	12 Months Ended						Test Year (g)
		Calendar Years Prior to Test Year					Test Year (g)	
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)		
368	Compressor Station Equipment							
369	Measuring and Reg. Sta. Equipment							
370	Communication Equipment							
371	Other Equipment							
	Total Transmission Plant							
	<u>Distribution Plant</u>							
374	Land and Land Rights							
375	Structures and Improvements							
376	Mains							
377	Compressor Station Equipment							
378	Meas. and Reg. Sta. Equip.-General							
379	Meas. and Reg. Sta. Equip.-City Gate							
380	Services							
381	Meters							
382	Meter Installations							
383	House Regulators							
384	House Reg. Installations							
385	Industrial Meas. and Reg. Sta. Equipment							
386	Other Prop. on Customer's Premises							
387	Other Equipment							
	Total Distribution Plant							
	<u>General Plant</u>							
389	Land and Land Rights							
390	Structures and Improvements							
391	Office Furniture and Equipment							
392	Transportation Equipment							
393	Stores Equipment							
394	Tools, Shop and Garage Equipment							

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

Format 14
Sheet 5 of 5

AVERAGE GAS PLANT IN SERVICE BY ACCOUNT PER MCF

For the Calendar Years 1976 Through 1980 and the 12 Month Ended December 31, 1980

(Total Company)

Account Number	Title of Accounts (a)	12 Months Ended						Test Year (g)
		Calendar Years Prior to Test Year	5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
395	Laboratory Equipment							
396	Power Operated Equipment							
397	Communication Equipment							
398	Miscellaneous Equipment							
	Subtotal							
399	Other Tangible Property							
	Total General Plant							
	Total (Accounts 101 and 106)							
102	Gas Plant Purchased							
.02	Gas Plant Sold							
.03	Experimental Gas Plant Unclassified							
	Total Gas Plant In Service							

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

Format 15
Sheet 1 of 5

STATEMENT OF GAS PLANT IN SERVICE

12 Months Ended December 31, 1980

(Total Company)

Account Number	<u>Title of Accounts</u> (a)	<u>Beginning Balance</u> (b)	<u>Additions</u> (c)	<u>Retirements</u> (d)	<u>Transfers</u> (e)	<u>Ending Balance</u> (f)
	<u>Intangible Plant</u>					
301	Organization					
302	Franchises and Consents					
303	Miscellaneous Intangible Plant					
	Total Intangible Plant					
	<u>Production Plant</u>					
	<u>Natural Gas Production and Gathering Plant</u>					
325.1	Producing Lands					
325.2	Producing Leaseholds					
325.3	Gas Rights					
325.4	Rights-of-Way					
325.5	Other Land and Land Rights					
326	Gas Well Structures					
327	Field Compressor Station Structures					
328	Field Meas. and Reg. Sta. Structures					
329	Other Structures					
330	Producing Gas Wells-Well Construction					
331	Producing Gas Wells-Well Equipment					
332	Field Lines					
333	Field Compressor Station Equipment					
334	Field Meas. and Reg. Sta. Equipment					
335	Drilling and Cleaning Equipment					
336	Purification Equipment					
337	Other Equipment					
338	Unsuccessful Exploration and Devel. Costs					
	Total Production and Gathering Plant					

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

STATEMENT OF GAS PLANT IN SERVICE

12 Months Ended December 31, 1980

(Total Company)

Account Number	Title of Accounts (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
	<u>Products Extraction Plant</u>					
340	Land and Land Rights					
341	Structures and Improvements					
342	Extraction and Refining Equipment					
343	Pipe Lines					
344	Extracted Products Storage Equipment					
345	Compressor Equipment					
346	Gas Meas. and Reg. Equipment					
347	Other Equipment					
	Total Products Extraction Plant					
	Total Nat. Gas Production Plant					
*	Mfd. Gas Prod. Plant (Submit Suppl. Statement)					
	<u>Total Production Plant</u>					
	<u>Natural Gas Storage and Processing Plant</u>					
	<u>Underground Storage Plant</u>					
350.1	Land					
350.2	Rights-of-Way					
351	Structures and Improvements					
352	Wells					
352.1	Storage Leaseholds and Rights					
352.2	Reservoirs					
352.3	Non-Recoverable Natural Gas					
353	Lines					
354	Compressor Station Equipment					
355	Measuring and Reg. Equipment					
356	Purification Equipment					
357	Other Equipment					
	Total Underground Storage Plant					

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

STATEMENT OF GAS PLANT IN SERVICE

12 Months Ended December 31, 1980

(Total Company)

Account Number	Title of Accounts (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
360	Other Storage Plant					
361	Land and Land Rights					
362	Structures and Improvements					
363	Gas Holders					
363.1	Purification Equipment					
363.2	Liquefaction Equipment					
363.3	Vaporizing Equipment					
363.4	Compressor Equipment					
363.5	Meas. and Reg. Equipment					
	Other Equipment					
	Total Other Storage Plant					
	Base Load Liquefied Natural Gas, Terminating					
	and Processing Plant					
364.1	Land and Land Rights					
364.2	Structures and Improvements					
364.3	LNG Processing Terminal Equipment					
364.4	LNG Transportation Equipment					
364.5	Measuring and Regulating Equipment					
364.6	Compressor Station Equipment					
364.7	Communications Equipment					
364.8	Other Equipment					
	Total Base Load Liquefied Natural					
	Gas, Terminating, and Processing Plant					
	Total Nat. Gas Storage and Proc. Plant					
365.1	Transmission Plant					
366	Land and Land Rights					
367	Rights-of-Way					
	Structures and Improvements					
	Mains					

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

STATEMENT OF GAS PLANT IN SERVICE

12 Months Ended December 31, 1980

(Total Company)

Account Number	<u>Title of Accounts</u> (a)	<u>Beginning Balance</u> (b)	<u>Additions</u> (c)	<u>Retirements</u> (d)	<u>Transfers</u> (e)	<u>Ending Balance</u> (f)
368	Compressor Station Equipment					
369	Measuring and Reg. Sta. Equipment					
370	Communication Equipment					
371	Other Equipment					
	Total Transmission Plant					
	<u>Distribution Plant</u>					
374	Land and Land Rights					
375	Structures and Improvements					
376	Mains					
377	Compressor Station Equipment					
378	Meas. and Reg. Sta. Equip.-General					
379	Meas. and Reg. Sta. Equip.-City Gate					
380	Services					
381	Meters					
382	Meter Installations					
383	House Regulators					
384	House Reg. Installations					
385	Industrial Meas. and Reg. Sta. Equipment					
386	Other Prop. on Customer's Premises					
387	Other Equipment					
	Total Distribution Plant					
	<u>General Plant</u>					
389	Land and Land Rights					
390	Structures and Improvements					
391	Office Furniture and Equipment					
392	Transportation Equipment					
393	Stores Equipment					
394	Tools, Shop and Garage Equipment					

Columbia Gas of Kentucky, Inc.
Commonwealth of Kentucky

Case No. 8281

Format 15
Sheet 5 of 5

STATEMENT OF GAS PLANT IN SERVICE

12 Months Ended December 31, 1980

(Total Company)

<u>Account Number</u>	<u>Title of Accounts (a)</u>	<u>Beginning Balance (b)</u>	<u>Additions (c)</u>	<u>Retirements (d)</u>	<u>Transfers (e)</u>	<u>Ending Balance (f)</u>
395	Laboratory Equipment					
396	Power Operated Equipment					
397	Communication Equipment					
398	Miscellaneous Equipment					
	Subtotal					
399	Other Tangible Property					
	Total General Plant					
	Total (Accounts 101 and 106)					
102	Gas Plant Purchased					
102	Gas Plant Sold					
103	Experimental Gas Plant Unclassified					
	Total Gas Plant In Service					

Columbia Gas of Kentucky, Inc.

Case Number 8281

ACCOUNT 913 - ADVERTISING EXPENSE

For the 12 Months Ended December 31, 1980

(Total Company)

<u>Line</u> <u>No.</u>	<u>Item</u> <u>(a)</u>	<u>Sales or</u> <u>Promotional</u> <u>Advertising</u> <u>(b)</u>	<u>Institutional</u> <u>Advertising</u> <u>(c)</u>	<u>Conservation</u> <u>Advertising</u> <u>(d)</u>	<u>Rate</u> <u>Case</u> <u>(e)</u>	<u>Other</u> <u>(f)</u>	<u>Total</u> <u>(g)</u>
1.	Newspaper						
2.	Magazines and Other						
3.	Television						
4.	Radio						
5.	Direct Mail						
6.	Sales Aids						
7.	Total						
8.	Amount Assigned to Ky. Retail						

Columbia Gas of Kentucky, Inc.
Case Number 8281

ACCOUNT 930 - MISCELLANEOUS EXPENSES

For the 12 Months Ended December 31, 1980

<u>Line</u> <u>No.</u>	<u>Item</u> <u>(a)</u>	<u>Amount</u> <u>(b)</u>
1.	Industry Association Dues	
2.	Stockholder and Debt Servicing Expenses	
3.	Institutional Advertising	
4.	Conservation Advertising	
5.	Rate Department Load Studies	
6.	Director's Fees and Expenses	
7.	Dues and Subscriptions	
8.	Miscellaneous	
9.	Total	
10.	Amount Assigned to Kentucky	

Columbia Gas of Kentucky, Inc.

Case Number 8281

ACCOUNT 426 - MISCELLANEOUS INCOME DEDUCTIONS

For the 12 Months Ended December 31, 1980

<u>Line</u> <u>No.</u>	<u>Item</u> <u>(a)</u>	<u>Amount</u> <u>(b)</u>
1.	Donations	
2.	Civic Activities	
3.	Political Activities	
4.	Other	
5.	Total	
6.	Amount Assigned to Kentucky	

Columbia Gas of Kentucky, Inc.

Case No. 8281

AVERAGE RATES OF RETURN

For the Calendar Years 1976 Through 1980 and the 12 Month Ended December 31, 1980

<u>Line No.</u>	<u>Calendar Years Prior to Test Year</u> (a)	<u>Total Company</u> (b)	<u>Ky. Retail</u> (c)	<u>Other Retail Jurisdictions</u> (d)	<u>FERC Wholesale</u> (e)
1.	Original Cost Net Investment:				
2.	5th Year				
3.	4th Year				
4.	3rd Year				
5.	2nd Year				
6.	1st Year				
7.	Test Year				
8.	Original Cost Common Equity:				
9.	5th Year				
10.	4th Year				
11.	3rd Year				
12.	2nd Year				
13.	1st Year				
14.	Test Year				

NOTE: Provide work papers in support of the above calculations.

SCHEDULE OF NUMBER OF EMPLOYEES, HOURS PER EMPLOYEE, AND AVERAGE WAGES
PER EMPLOYEE

Calendar Years		Natural Gas Storage															
Prior to	<u>Production</u>	<u>Terminals and Processing</u>				<u>Transmission</u>				<u>Distribution</u>				<u>Customer Accounts</u>			
Test Year	<u>No.</u>	<u>Hrs.</u>	<u>Wages</u>	<u>No.</u>	<u>Hrs.</u>	<u>Wages</u>	<u>No.</u>	<u>Hrs.</u>	<u>Wages</u>	<u>No.</u>	<u>Hrs.</u>	<u>Wages</u>	<u>No.</u>	<u>Hrs.</u>	<u>Wages</u>		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)		
Year																	
% Change																	
4th Year																	
% Change																	
3rd Year																	
% Change																	
2nd Year																	
% Change																	
1st Year																	
% Change																	
Test Year																	
% Change																	

NOTE:

- (1) Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.
- (2) Show percent increase (decrease) of each year over the prior year on lines designated above "%Change."
- (3) Employees, weekly hours per employee, and weekly wages per employee for the week including December 31 of each year and the last day of the test year.

SCHEDULE OF NUMBER OF EMPLOYEES, HOURS PER EMPLOYEE, AND AVERAGE WAGES
PER EMPLOYEE (Continued)

Calendar Years		Customer Service and Information		Sales		Administrative and General		Construction		Total	
Prior to Test Year	(A)	No. Hrs. (Q)	Wages (R)	No. Hrs. (T)	Wages (U)	No. Hrs. (W)	Wages (X)	No. Hrs. (Z)	Wages (AA)	No. Hrs. (CC)	Wages (DD)
Year			(S)		(V)		(Y)		(BB)		(EE)
% Change											
4th Year											
% Change											
3rd Year											
% Change											
2nd Year											
% Change											
1st Year											
% Change											
Test Year											
% Change											

- NOTE: (1) Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.
- (2) Show percent increase (decrease) of each year over the prior year on lines designated above "% Change."
- (3) Employees, weekly hours per employee, and weekly wages per employee for the week including December 31 of each year and the last day of the test year.